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Intelligence analysis process fallible, not for fainthearted

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By JACK STEPHENSON

PREDICTING the future is the lifeblood of an intelligence agency. The vital fluid takes the form of intelligence estimates. Although the real-life James Bonds and the modern-day Mata Haris receive the glamour and the notoriety, it is the intelligence estimators who determine the real value of an intelligence organization to its government.

Peering into the future is great fun, for, after all, we do spend the rest of our lives there. But committing what we see to written predictions and then standing by them is not for the faint-hearted. How does an intelligence analyst sort from the subtle, shifting shades of gray to form a vision of the future? Analysts arrive at the best estimates the old-fashioned way; they earn them through research.

The grist for the analyst's mill takes many forms. There is a massive amount of open literature that forms the base of any estimate. But piled onto it are the more esoteric and potentially more insightful sources: defector reports; photographs from on the land, from in the air and beyond into space; communication intercepts; and even environmental pollution. Add to this the gleanings from the espionage network — reports from agents-in-place and purloined documents and hardware — and the analyst has the ingredients to make an estimate.

But there is no precise recipe for this process. The analyst applies his or her special knowledge and insights developed over the years. What degree of validity can be assigned to the various reports? How reliable are the sources? Is the evidence conflicting or supporting? What shrewd questions can be raised that might give a better interpretation of the information?

The analyst will surely subject first-draft estimates to the critical eye of professional colleagues. Outside experts may be called in. Finally, the analyst must defend the vision of the future before a panel of other experts often including representatives from the various intelligence-related agencies in the government.

The official estimates that result from this process range from the highly classified to those available to the public. Classified estimates are sometimes edited so that they too can become public property. In other instances, reports are leaked to the public for many rea-

sons, some for believed good intentions, others for more base motives.

How accurate have these estimates into the future been? What grade should the analysts receive on their report cards? Let's look at one example that came into the public domain.

At an April 1977 press conference, President Carter cited a classified Central Intelligence Agency estimate on world oil supplies that predicted severe shortages by 1985. In particular, the Russian oil industry was estimated to be in trouble, with production peaking as early as 1978 and Russia becoming a net oil importer by 1985. The furor over the president's comment caused the administration to declassify and release within three days the CIA report. Criticism of the report was instantaneous.

The next month the gloomy CIA estimate was reinforced by a report entitled, "Energy: Global Prospects for

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1985-2000." This study was done by 35 business, government and academic leaders from 15 non-communist countries. It stated that world oil shortages could begin as early as 1981.

The CIA was still standing by its forecast in August 1979. CIA Director Stansfield Turner continued the warning during congressional testimony in April 1980, predicting a vicious struggle over the remaining oil supplies.

But by mid-1981, the CIA had revised its estimate because Soviet oil production, which had been predicted to peak in 1978, had instead continued to climb. The new forecast stated that production would continue at current levels for one or two years and then begin to decline. One of the CIA's severe oil critics, Professor Marshall Goldman of Wellesley College, then said he agreed with the CIA.

Another oil expert, Arthur Meyerhoff, writing in the November-December 1981 issue of *American Scientist*, declared that the CIA was more nearly correct than any agency except for the Soviet Ministry of Oil Industry, which had predicted a turnaround in oil production, possibly by 1982.

The Defense Intelligence Agency, however, has a different crystal ball. In September 1981, it released an estimate

that claimed oil production in Russia would rise until 1985, level off until the 1990s and then rise again.

As we stand today, almost awash with oil, many may be confused over what to believe about the future of Soviet oil. The majority seems to favor the new CIA estimate.

As noted, written predictions are not for the faint of heart nor are they sure things. Yet they are vitally important.

Perhaps more disturbing than the cloudy view of the future is the tendency of the present administration to become more secretive. The closing of several federal statistical offices is an example. Public debate based on available information was good for the CIA forecast on oil. It should be continued whenever possible.

There must always be secret estimates, especially those that are either tactical in nature or contain information that would identify sources. But on the strategic scale, topics such as energy resources, crop estimates, economic conditions, socio-political issues and even military force levels would benefit from criticism by knowledgeable citizens.

Somewhere within the intelligence community there must have been an analyst who perceived the potential for conflict over the Falkland Islands between Great Britain and Argentina. But what analyst would have been listened to on that issue when Israel was withdrawing from the Sinai and at the same time attacking terrorists in Lebanon, the Soviets were embroiled in Afghanistan, Poland was suffering, Central America was in foment and the entire world was speculating on who would succeed Soviet President Leonid I. Brezhnev?

And that is the problem — identifying those who do, indeed, see clearly and accurately into the future. A hallmark of the American scientific research effort has been its openness and subjection to review. If it is correct that the best intelligence estimates are earned by careful research, then as much as possible should be open to review by an informed audience. Our official forecasters might end up with better report cards.

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